

# SB3466



## 102ND GENERAL ASSEMBLY

### State of Illinois

2021 and 2022

SB3466

Introduced 1/18/2022, by Sen. Antonio Muñoz

#### SYNOPSIS AS INTRODUCED:

215 ILCS 5/151

from Ch. 73, par. 763

Amends the Illinois Insurance Code. In provisions concerning prohibited payment or acceptance of rebates, provides that nothing in the language shall prohibit an insurer, by or through its employees, affiliates, insurance producers, or third-party representatives, or an insurance producer acting on its own behalf, from offering or providing products or services that are at least tangentially related to an insurance contract or the administration of an insurance contract for free or for less than fair market value as long as the receipt of the products or services is not contingent upon the purchase of insurance and the products or services are offered on the same terms to all potential insurance customers based on documented objective criteria and in a manner that is not unfairly discriminatory.

LRB102 22346 BMS 32944 b

A BILL FOR

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Illinois Insurance Code is amended by  
5 changing Section 151 as follows:

6 (215 ILCS 5/151) (from Ch. 73, par. 763)

7 Sec. 151. Payment or acceptance of rebates prohibited. (1)  
8 No company doing business in this State and no insurance agent  
9 or broker shall offer, promise, allow, give, set off or pay,  
10 directly or indirectly, any rebate of or part of the premium  
11 payable on the policy, or on any policy or agent's commission  
12 thereon or earnings, profits, dividends or other benefits  
13 founded, arising, accruing or to accrue thereon or therefrom,  
14 or any special advantage in date of policy or age of issue, or  
15 any paid employment or contract for services of any kind or any  
16 other valuable consideration or inducement to or for insurance  
17 on any risk in this State, now or hereafter to be written, or  
18 for or upon any renewal of any such insurance, which is not  
19 specified in the policy contract of insurance, or offer,  
20 promise, give, option, sell, purchase any stocks, bonds,  
21 securities or property or any dividends or profits accruing or  
22 to accrue thereon, or other thing of value whatsoever as  
23 inducement to insurance or in connection therewith, or any

1 renewal thereof which is not specified in the policy. Nothing  
2 in this Section shall prevent a company from paying a bonus to  
3 policyholders or otherwise abating their premiums in whole or  
4 in part out of surplus accumulated from nonparticipating  
5 insurance nor prevent a company which transacts industrial  
6 life insurance on a weekly payment plan from returning to  
7 policyholders who have made premium payments for a period of  
8 at least one year directly to the company at its home or  
9 district offices the percentage of premium which the company  
10 would otherwise have paid for the weekly collection of such  
11 premium nor shall this Section be construed to prevent the  
12 taking of a bona fide obligation, with interest at six per  
13 centum per annum, in payment of any premium.

14 Nothing in this Section shall prevent a company from  
15 offering a child passenger restraint system or a discount from  
16 the purchase price of a child passenger restraint system to  
17 policyholders, when the purpose of such restraint system is  
18 the safety of a child and compliance with the "Child Passenger  
19 Protection Act", approved June 27, 1983, as amended.

20 Nothing in this Section shall prohibit an insurer, by or  
21 through its employees, affiliates, insurance producers, or  
22 third-party representatives, or an insurance producer acting  
23 on its own behalf, from offering or providing products or  
24 services that are at least tangentially related to an  
25 insurance contract or the administration of an insurance  
26 contract for free or for less than fair market value as long as

1 the receipt of the products or services is not contingent upon  
2 the purchase of insurance and the products or services are  
3 offered on the same terms to all potential insurance customers  
4 based on documented objective criteria and in a manner that is  
5 not unfairly discriminatory.

6 (2) No insured person or party or applicant for insurance  
7 shall directly or indirectly receive or accept, or agree to  
8 receive or accept any rebate of premium or of any part thereof  
9 or all or any part of any agent's or broker's commission  
10 thereon, or any favor or advantage, or share in any benefit to  
11 accrue under any policy of insurance, or any valuable  
12 consideration or inducement, other than such as is specified  
13 in the policy.

14 (Source: P.A. 83-1320.)